



INSURANCE INSIGHTS
2025 Year in Review



sequeira
PARTNERS

Key Trends of 2025

Canada's insurance M&A market experienced a year defined by contrasts and strategic recalibration. Although deal volumes softened, the sector continued to attract capital, and valuations held accordingly. The following trends were key forces shaping the year:



Value Vs. Volume

2025 saw a noticeable decline in the overall number of closed transactions, yet it also delivered one of the strongest years for large-scale, mega deals. This divergence underscores the growing premium on scale and specialization across the sector. Smaller firms are increasingly challenged as larger platforms expand their capabilities and cost efficiencies. Against this backdrop, owners face a strategic crossroads: pursue differentiated organic growth, seek a partnership or prepare for a potential sale. Standing still could mean falling behind.



Private Equity Activity

The number of private equity buyers seeking platform investments in the sector remained high. The sustained performance and returns of large PE-backed brokerages continue to validate the model and highlight the scale of the opportunity in the sector. This sustained activity has expanded the pool of well-capitalized buyers, fostering healthy competitive tension and supporting favourable supply-and-demand dynamics for sellers.



Valuations Hold Firm Despite Headwinds

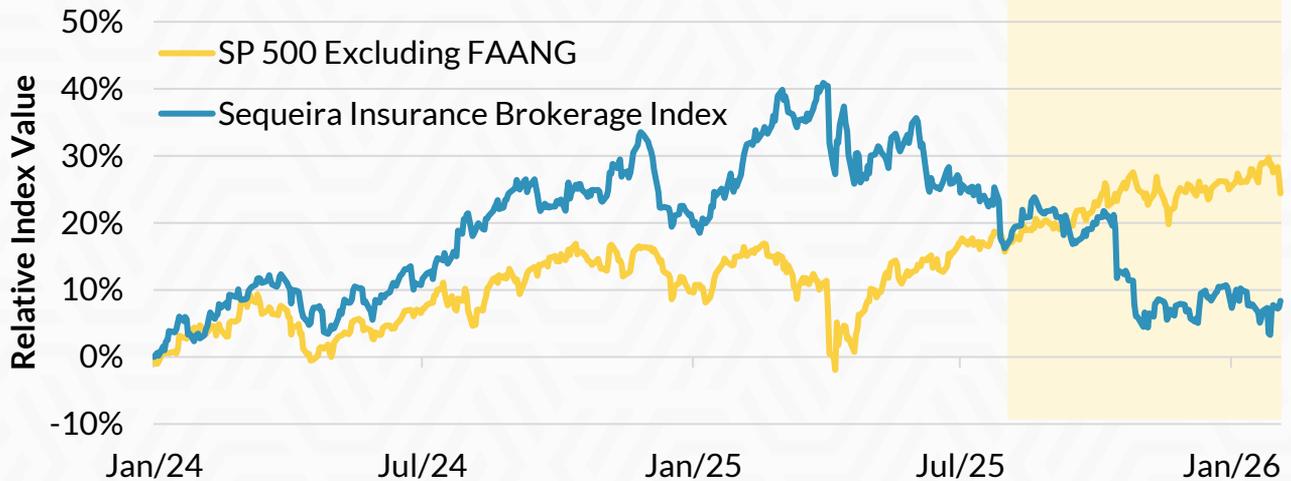
Despite ongoing macroeconomic uncertainty and compressed deal volumes, multiples and valuations remained resilient. The sector's defensive qualities - cash flow stability, low capital expenditure requirements, diverse customer base, and recurring revenue - helped insulate pricing from broader market volatility. Combined with fewer brokerages coming to market, these factors supported steady valuations throughout 2025.

CANADIAN BROKERAGE TRANSACTION VOLUME



Public Market Valuations

INDEX VALUE: BROKERAGES VS. BROADER MARKET



Sequeira’s Insurance Brokerage Index tracks the share prices of publicly listed insurance brokerages. After a strong multi-year run, investors are recalibrating expectations for the big insurance brokers as tailwinds fade, and for the first time in years, 2025 saw share prices of public brokerages underperform the broader market.

Pricing momentum in parts of P&C has cooled, reducing the lift brokers get from premium increases and contributing to a slower organic growth outlook. With growth normalizing, the market is also more sensitive to execution risk and balance-sheet choices, particularly around large acquisitions and integration, so valuation multiples have come down even though these businesses remain resilient cash generators.

SEQUEIRA INSURANCE BROKERAGE INDEX

Public Brokerages	Feb 5, 2025	Current*	% Change
Aon plc	\$382.39	\$350.21	-8%
Arthur J. Gallagher & Co	\$316.30	\$249.55	-21%
Marsh & McLennan	\$225.51	\$189.75	-16%
Brown & Brown, Inc.	\$106.79	\$74.03	-31%

Defining Deals of 2025

January 3, 2025	 ONEDIGITAL Acquires  PWLCAPITAL	<ul style="list-style-type: none">• Total Transaction Value: Undisclosed• This transaction provides OneDigital with a foundational entry point into Canada through wealth management. Management has sent strong signals to build a Canadian footprint and pursue follow-on acquisitions in the market.
August 1, 2025	 Brown & Brown INSURANCE* Acquires  ACCESSION RISK MANAGEMENT GROUP	<ul style="list-style-type: none">• Transaction Value: ~\$9.8B• This acquisition is expected to enhance Brown & Brown's capabilities through complementary business lines with Accession Risk Management Group. Brown & Brown will gain access to specialized insurance products and programs to serve unique client needs.
October 30, 2025 Expected to close H1 2026	 ONEX  AIG Acquires  convex	<ul style="list-style-type: none">• Total Transaction Value: Undisclosed• Transaction is expected to deliver long-term value and create a multi-layered partnership, signaling a potential new playbook for large-scale insurance transactions.
August 18, 2025	 Gallagher Acquires  AssuredPartners	<ul style="list-style-type: none">• Total Transaction Value: ~\$13.5B USD• The acquisition of Assured Partners allows Gallagher to expand U.S. middle-market presence and leverage Assured Partners' niche practice expertise.
February 3, 2026	 NAVACORD ® Merger with  Acera INSURANCE	<ul style="list-style-type: none">• Total Transaction Value: Undisclosed• These two firms together showcase \$7.2 billion in insurance and employee benefits premium and \$7.5 billion in assets under management for retirement. Overall, this merger creates a stronger, nationally scaled Canadian brokerage firm.

The Players: Established Consolidators

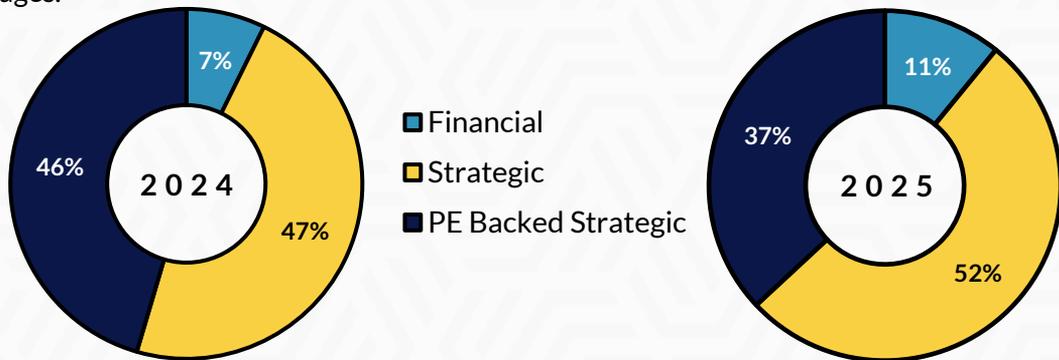
Notable Canadian Transaction Activity

2025 saw the buyer landscape evolve in several ways. While BrokerLink continued to lead the pack in transaction volume, some of the most active buyers in the prior year had noticeably slower M&A activity this year as strategic focus shifted and firms recalibrated around evolving market conditions.



While the brokerage M&A space continues to see strong interest from public companies and private equity-backed strategic players, this past year saw a slight uptick in pure private equity investors and strategic parties, a trend that largely mirrors prior periods.

Strategic acquirers continue to pursue scale, geographic expansion, and capability-driven acquisitions, while private equity firms remain focused on establishing and building brokerage platforms through sustained M&A. Collectively, these forces are intensifying competition for larger independent brokerages.



Additional Notable Canadian Transactions

Select Insurance Deals in Canada			
Date	Target	Target Prov.	Buyer
01/02/2026	Travelers Personal and Commercial Insurance Business	ON	Definity Financial Corporation
01/01/2026	Avro Insurance Managers	ON	Specialty Program Group
12/01/2025	Stewart Specialty Risk Underwriting	ON	RSG Underwriting Managers
12/01/2025	CoreService Insurance Brokers	ON	SIB Corp
12/01/2025	Mode Insurance Services	BC	Specialty Program Group
10/31/2025	RF Capital Group Inc.	ON	iA Financial Corporation
10/01/2025	Hunt & Dopson Insurance Group	ON	BrokerLink
10/01/2025	Beneficial Insurance Solutions	AB	Westland Insurance Company
09/02/2025	Pemberton Insurance Corp.	BC	Acera Insurance Services
08/01/2025	Groupe Brissette	QB	HUB International
07/01/2025	J.T. Insurance Services	BC	Axis Insurance Managers
06/05/2025	Lorne Park Capital Partners	ON	Sagard Holdings
06/05/2025	Keyes Insurance Brokerage	NS	McDougall Insurance Brokers
04/09/2025	FSB Group	ON	Synex Business Performance
02/01/2025	Armour Insurance Group	AB	BrokerLink
01/08/2025	MacLeod Lorway Financial Group	NS	Cal LeGrow Insurance

 Sequeira Advised Transaction

2026 Buyer Survey: What Acquirers Expect Next

We surveyed **active buyers** across the insurance brokerage landscape to get their view on 2025, gauge how market conditions are evolving and what that could mean for owners heading into 2026.

Top 8 Takeaways

1. Transaction volumes are softening, with quality deals scarcer

Across all participants, transaction volume in 2025 is down or flat at best. High-quality opportunities are less frequent, and the market is experiencing fewer advisor-led, marquee processes. Smaller brokerages continue to come to market, but larger “flagship” brokerages are increasingly rare.

2. Valuations are holding—but structure is becoming more buyer-friendly

Multiples remain high, but buyers are regaining leverage through structure: earnouts, vendor notes, bridging mechanisms, and downside-protected terms are resurfacing.

3. Buyer appetite remains strong—but far more selective

Demand for solid assets is still robust. However, the era of undisciplined buying is coming to an end. Fewer new entrants, more disciplined capital, and sharper scrutiny characterize today’s environment.

4. Organic growth headwinds are impacting deal sentiment

Soft P&C markets, moderating rate environments, and a weaker outlook for commercial lines are eroding organic growth expectations. This is shaping valuations, diligence intensity, and long-term buyer confidence.

5. Strategic focus on recession-resistant end markets

Buyers are prioritizing businesses with stable or counter-cyclical revenue: life, benefits, wealth, and resilient personal lines. Mixed-book models are increasingly viewed as risk-mitigating and accretive.

6. Competitive landscape is shifting—fewer big players, more niche aggressors

Some traditional consolidators have pulled back, while others are increasingly aggressive. Aggregators may have reached a saturation point, prompting speculation about consolidation among consolidators.

7. Seller preparation expectations are higher than ever

Sellers must now demonstrate expense control—especially around producer compensation and indirect headcount to hold margins. Clean data that is readily available, normalized EBITDA, tax planning, and M&A-experienced legal and advisory teams are critical to maintain valuation.

8. Buyers are prioritizing sustainable, accretive partnerships

Across all perspectives, buyers emphasize cultural fit, sustainable growth, and value creation beyond simple scale. “Flag planting” is over—accretive growth, leadership continuity, and strategic capability building are the new imperatives.

2026 Buyer Survey: What it Means for You



Valuations Comparison

Headline multiples may appear steady, but **structure now determines the real economics**. Buyers are tightening terms—leaning harder on terms, deferrals, and especially earnouts. Two offers with the same multiple can deliver **very different outcomes**, making a clear understanding of earnout thresholds, covenants, and rolled-equity rights essential to evaluating true deal value.



Focus on Key Milestones

Deal volumes are down, but demand for meaningful scale remains strong. As consolidation reshapes the market, **the bar for what qualifies as a “sizeable” opportunity continues to shift**. Growing your brokerage to the next revenue tier materially expands the buyer pool and directly enhances valuation.



Buyer Appetite

Appetite remains strong for **high-quality brokerages**. This can be demonstrated through depth of talent, specialization, unique customer roster, or refined processes that drive margins.

Leaning into what makes you different from the competition is key.



Acquisition Priorities

Buyers are prioritizing businesses with resilient end markets. Sellers who can articulate a clear, durable value proposition, supported by resilient revenue and a thoughtful succession plan **will differentiate themselves immediately**.

2026 OUTLOOK

- A more challenging operating backdrop will expose who can grow without tailwinds from rising rates—potentially prompting more owners to test the market.
- Softening in P&C is a major watch item – if revenue pressure hits, some sellers may feel urgency, but declining top line can also complicate valuation and salability.
- Expect continued competition for premium assets, but with sharper differentiation. Operational maturity, data, leadership bench, and organic growth engine will matter more than ever.

Sequeira Partners - Insurance Transactions

<p>Advisor to</p>  <p>on the sale to</p> 	<p>Advisor to</p>  <p>on the sale to</p>  <p>A subsidiary of</p> 	<p>Advisor to</p> <p>A Multinational Insurance Broker</p> <p>on its divestiture of a non-core P&C Division to an</p> <p>Undisclosed Buyer</p>	<p>Advisor to</p>  <p>on the sale to</p> 	<p>Advisor to</p>  <p>Employee Benefits division on its partnership with</p> 	<p>Advisor to</p>  <p>on the sale to</p> 	
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Client Testimonials

"How would I describe Sequeira? High integrity comes to mind. Everyone on the team was adaptable and strategic. Humble. Tenacious. You always need to keep things moving and on track during this process, and I felt like that tenacity was a huge help in getting us to the finish line."

- Rob Marusin, Owner, Armour Insurance

"Sequeira has a good reputation, so I think it can be compelling for buyers to know that they are part of the deal. I initially thought buyers could object to having a third party involved, thinking of it as an extra cost, but at the level that we were at, sophisticated buyers didn't want to negotiate with the owner and future partner. Their involvement was a plus for both sides of the deal."

- Jeff Homynyk, Owner, MHK Insurance

Interested in Learning More?

Sequeira Partners is the leading Canadian advisor in the mid-market independent insurance brokerage sector. If you are interested in learning more as a potential buyer, seller or fellow insurance industry enthusiast, we would love to hear from you.

Our dedicated partners and staff are always available and eager to discuss market trends and strategize on opportunities.

Insurance Team



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Timothy Chow, CPA
Senior Associate

About Us

Sequeira Partners is Western Canada's largest boutique advisory firm, specializing in sell-side deal advisory and corporate valuations. Having completed more than 175 national and cross-border transactions, and over 500 valuation mandates, we are proud of our diverse industry experience and credentials. At Sequeira Partners, we combine decades of experience and top-tier credentials to deliver client-centric service with a personalized, boutique approach.

Learn more at: www.sequeirapartners.com

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